

THIRTY-THIRD DAY

(Wednesday, March 6, 1957)

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

Reports of Standing Committees

Senator Rogers submitted the following report:

Austin, Texas,
March 5, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Legislative, Congressional and Judicial Districts, to whom was referred H. B. No. 81, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

ROGERS, Vice-Chairman.

Senator Parkhouse submitted the following reports:

Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Water and Conservation, to whom was referred S. B. No. 289, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

PARKHOUSE, Chairman.

Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Water and Conservation, to whom was referred S. C. R. No. 37, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass and be printed.

PARKHOUSE, Chairman.

Senate Bills on First Reading

The following bills were introduced, read first time and referred to the committee indicated:

By Senator Rogers:

S. B. No. 328, A bill to be entitled "An Act authorizing the Texas Board of Water Engineers to study the causes of natural pollution to the tributaries of the Red River and to study means to eliminate such pollution and appropriating Fifty Thousand Dollars for such purpose and declaring an emergency."

To the Committee on Finance.

By Senator Rogers:

S. B. No. 329, A bill to be entitled "An Act amending Section 16, Chapter 342, Acts of the 53rd Legislature, Regular Session, 1953, concerning the fixing of venue for appeals from orders of the State Board of Veterinary Medical Examiners; and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Hudson:

S. B. No. 330, A bill to be entitled "An Act to authorize Texas insurance, casualty, and indemnity companies to invest funds in revenue obligations of Texas navigation or port districts, and declaring an emergency."

To the Committee on Insurance.

By Senator Herring:

S. B. No. 331, A bill to be entitled "An Act implementing the provisions

of Article VII, Section 18 of the Texas Constitution, approved by vote of the people on August 23, 1947, and the amendment to said Article VII, Section 18, approved by vote of the people on November 6, 1956, by providing that bonds or notes hereafter issued pursuant to said constitutional provisions shall be registered by the Comptroller of Public Accounts; providing authority for refunding of all bonds or notes issued pursuant to said constitutional provisions or this Act; providing for the approval of such refunding bonds or notes by the Attorney General and registration by the Comptroller of Public Accounts; providing that all bonds and notes, whether original or refunding, issued pursuant to said constitutional provisions or this Act shall be fully negotiable instruments, and making them authorized for investments and for securing public funds and exempting them from taxation; prescribing a severability provision; enacting other provisions relating to the subject; and declaring an emergency."

To the Committee on State Affairs.

By Senator Lock:

S. B. No. 332, A bill to be entitled "An Act amending Article 2786, Revised Civil Statutes of Texas, 1925, as amended, by deleting the requirement that schoolhouse bonds shall mature in not more than twenty years from their date when schoolhouses are built of wood; and declaring an emergency."

To the Committee on State Affairs.

By Senator Owen:

S. B. No. 333, A bill to be entitled "An Act requiring storage garages and other similar businesses to report the identity of motor vehicles remaining in storage more than thirty days where there is not a continuing contract of storage with a known individual; providing a penalty for the violation of this Act; and declaring an emergency."

To the Committee on State Affairs.

By Senator Kazen:

S. B. No. 334, A bill to be entitled "An Act amending Article 6745 of the Revised Civil Statutes of Texas, 1925, providing for the salaries of, and fixing maximum compensation for road superintendents; repealing all laws in conflict; and declaring an emergency."

To the Committee on Counties, Cities and Towns.

By Senator Gonzalez:

S. B. No. 335, A bill to be entitled "An Act detaching certain territory from Bexar County Water Control and Improvement District No. 13; redefining the boundaries thereof; validating, ratifying, confirming and approving the organizational proceedings and actions of the Board of Directors thereof, except the bond election and related proceedings; making bonds of the District eligible for investments, and exempting the property and the bonds of the District from taxation; making bonds of the District incontestable; providing a saving clause; and declaring an emergency."

To the Committee on Water and Conservation.

By Senator Hazlewood:

S. B. No. 336, A bill to be entitled "An Act ratifying, confirming and validating the designation of the boundary lines and the designation of the Dallam County Underground Water Conservation District No. 1 North of Canadian River in Texas, Dated December 22, 1950, and of the creation and establishment of the Dallam County Underground Water Conservation District No. 1; Prescribing the powers, functions and limitations of such district, including power to levy taxes and issue bonds; providing the Act shall not be construed to affect any District or bond proceedings or bonds issued or to be issued in which there is pending litigation upon the effective date of the Act; containing a savings clause; and declaring an emergency."

To the Committee on Water and Conservation.

Message From the House

Hall of the House of Representatives,
Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. B. No. 80, A bill to be entitled "An Act to amend the following Sections of the Texas Seed Law, codified as Article 93b of Vernon's Texas Civil Statutes: Section 2, subdivision (e), defining the term 'hybrid seed corn'; Section 3, Subdivision (a) (3) relat-

ing to label requirements; Section 3, Subdivision (a) by the addition of another subdivision (11) providing for 'net weight' of seed; Section 3, Subdivision (b) relating to the labels for vegetable seeds; Section 7, providing that the tag affixed to each bag, barrel or package of seed shipped will contain a complete analysis printed thereon; and declaring an emergency."

H. B. No. 128, A bill to be entitled "An Act to prescribe a procedure for the submission of petitions of Home Rule Cities for election of charter commissions and amendment of charters; providing a method of determining whether petitioners are qualified voters; and declaring an emergency."

H. J. R. No. 10, A joint resolution "Proposing an amendment to Article V of the Constitution of the State of Texas by adding a new section to be known as Section 7a, providing for apportionment of the State into judicial districts by the Legislature at stated intervals; creating the Judicial Redistricting Board to make such apportionment if the Legislature fails to do so, and defining the powers and duties of the Board."

Respectfully submitted,
DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Senate Resolution 189

Senator Herring offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate the 7th and 8th grades of St. Mary's School in Travis County, Texas, accompanied by Sister Bernarda and Mrs. Peyton Wilcox; and

Whereas, These students are on an educational tour of the Capitol Building and the Capital City; and

Whereas, This fine group of young American citizens is here to observe and to learn at firsthand the workings of their State government; now, therefore, be it

Resolved, That we officially recognize and welcome these guests and commend them for their interest; and that a copy of this Resolution, properly endorsed, bearing the official seal of the Senate, be mailed to their class in recognition of their visit.

The resolution was read and was adopted.

Senator Herring by unanimous consent presented the students and sponsor to the Members of the Senate.

(Senator Moffett in the Chair.)

Senate Resolution 190

Senator Hudson offered the following resolution:

Whereas, There have been many illegal diversions of water on the Rio Grande River, particularly water released from Falcon Dam; and

Whereas, The International Boundary and Water Commission is responsible for charging such illegal diversion against the offending party; and

Whereas, Due to the drouth these illegal diversions have multiplied to such an extent that on one occasion during the week of February 14, 1957, over eighty-nine pumps were illegally diverting waters between Falcon Dam and the mouth of the river by pumps of the Republic of Mexico; and

Whereas, On other occasions such illegal diversions have occurred on the American side of the Rio Grande, we hereby petition that the International Boundary and Water Commission enforce the provisions of the Treaty of 1945 to discharge their responsibility in controlling such illegal diversions and charging the offender with water taken, and other necessary and appropriate punishment; now, therefore, be it

Resolved, by the Senate of the 55th Legislature of the State of Texas, That this control of said waters by the International Boundary and Water Commission be faithfully executed so as to protect the rights of all concerned; and be it further

Resolved, That copies of this Resolution shall be sent to Colonel Hewitt of the International Boundary and Water Commission; the United States Department of State; the United States Department of Agriculture; Senator Lyndon B. Johnson; Senator William A. Blakley; Congressman Joe M. Kilgore; Governor Price Daniel; the Rio Grande Valley Chamber of Commerce and the Falcon Water Compact.

The resolution was read and was adopted.

Senate Resolution 191

Senator Rogers offered the following resolution:

Whereas, We are honored today to have as a visitor in the Senate Judge Vance Gilbreath of Matador, Pres. of County Judges Assoc. of the Texas Panhandle; and

Whereas, We desire to welcome this distinguished visitor to the Capitol Building and Capital City; now, therefore, be it

Resolved, That his presence be recognized by the Senate of Texas and that he be extended the official welcome of the Senate and the privileges of the floor for the day.

The resolution was read and was adopted.

Senator Rogers by unanimous consent presented Judge Gilbreath to the Members of the Senate.

Senate Resolution 192

Senator Reagan offered the following resolution:

Whereas, Robert Justus Kleberg, Jr., a native of South Texas and head of the mighty King Ranch Empire, who was named "Mr. South Texas of 1957" by the Washington Celebration Association of Laredo, has gained recognition through his contributions to the development and progress of the ranching industry not only of the South Texas area but of the entire State of Texas and, also, of the whole world; and

Whereas, He began, as a young man in cooperation with his brother, Dick, the breeding experiment that eventually led to the establishment of the western hemisphere's first distinctive breed of beef cattle—the Santa Gertrudis; and

Whereas, The fame of this new breed spread to all parts of the world where similar range conditions existed, and the experiment met with such remarkable success that it was acclaimed in 1950 as the outstanding achievement in the animal husbandry and ranching world for the first half of the 20th Century; and

Whereas, The new breed is now successfully grazing on the ranges of 29 states and 31 foreign countries; and

Whereas, Mr. Kleberg was not satisfied with sitting back and resting after this great achievement, but continued his breeding experiments and founded a new and improved breed of Quarter horse which has consistently

brought world-record prices for the breed; and

Whereas, He next turned his attention to the development of a superior line of Thoroughbreds which led to many famous winners such as "Assault"—the first Texas horse to win the Kentucky Derby and the Triple Crown for horse racing—and "Mid-dylebrook," a half-brother of "Assault," that nearly duplicated the record by winning the Kentucky Derby, the Belmont, and running a close second in the Preakness; and

Whereas, Mr. Kleberg has continually tackled the problems facing him in the management of his own properties and has made great contributions to the art of brush control, to the development of grasses suited to the area's soil, and to the study and improvement of mineral factors in range production; and

Whereas, He has done outstanding work in the field of wild life management, the control of wind erosion on pasture lands, the feeding of prickly pear on the range, the eradication of the Texas fever tick, and the importing of the only Afrikander cattle brought into the United States; and

Whereas, He gives liberally of his time to local, national and international civic affairs and, among many other positions, he serves as a Director of the Texas and Southwestern Cattle Raisers Association, as a Trustee of the American Museum of Natural History, and as a Trustee of the New York Zoological Society; now, therefore, be it

Resolved, That the Senate of the Fifty-fifth Legislature of the State of Texas recognize and pay tribute to Mr. Kleberg and extend to him our best wishes for continued success and happiness; be it further

Resolved, That a copy of this resolution be forwarded to Mr. Kleberg.

REAGAN
KAZEN
ASHLEY

Signed—Ben Ramsey, Lieutenant Governor; Aikin, Bracewell, Bradshaw, Colson, Fly, Fuller, Gonzalez, Hardeman, Hazlewood, Herring, Hudson, Krueger, Lane, Lock, Martin, Moffett, Moore, Owen, Parkhouse, Phillips, Ratliff, Roberts, Rogers, Secrest, Smith, Weinert, Willis, Wood.

The resolution was read.

On motion of Senator Ashley and by unanimous consent the names of

the Lieutenant Governor and all the Senators were added to the resolution as signers thereof.

The resolution was then adopted.

Senate Resolution 193

Senator Smith offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate, members of the basketball team in Terry County, accompanied by their teacher, Lester L. Ericson; and

Whereas, These students are on an educational tour of the Capitol Building and the Capital City; and

Whereas, This fine group of young American citizens is here to observe and to learn at firsthand the workings of their State government; now, therefore, be it

Resolved, That we officially recognize and welcome these guests and commend them for their interest; and that a copy of this resolution, properly endorsed, bearing the official seal of the Senate, be mailed to them in recognition of their visit.

The resolution was read and was adopted.

Senator Smith by unanimous consent presented the students and Mr. Ericson to the Members of the Senate.

Senate Concurrent Resolution 38

Senator Herring offered the following resolution:

S. C. R. No. 38, Granting W. D. Anderson Company permission to sue the State of Texas.

Whereas, W. D. Anderson, an individual, doing business as W. D. Anderson Co., General Contractor, hereinafter referred to as "Contractor," is a resident of Travis County, Texas; and

Whereas, On April 2, 1954, a contract was entered into between the Texas State Highway Department, hereinafter referred to as "The Department," and Contractor for the general construction portion of the State Highway Department Office Building at Camp Hubbard, Austin, Texas, to be constructed in accordance with the plans and specifications furnished by The Department to Contractor; and

Whereas, As part of said plans and specifications, information and drawings describing the sub-surface conditions as disclosed by The Department were furnished to Contractor upon which the Contractor relied in determining the costs of excavation, foundation work and other structural elements material to the determination of the consideration to be paid Contractor under the contract; and the sub-surface conditions as represented by The Department are claimed by the Contractor to be substantially at variance with the conditions actually encountered, resulting in substantial damages, costs and expenses which were not anticipated and which, if established as alleged, The Department has contracted to pay; and

Whereas, In order to definitely and accurately determine the extent of the variance, if any, and the extent of the damages incurred, if any, it is the policy of this Legislature to let a court of competent jurisdiction pass upon the same; and

Whereas, It is the policy of the State of Texas to give and grant to persons and corporations the right to litigate any valid claim against the State of Texas in a court of competent jurisdiction; Now, therefore, be it

Resolved by the Senate of the State of Texas, the House of Representatives concurring, that W. D. Anderson be and he is hereby granted permission to bring suit against the State of Texas in any court of competent jurisdiction in Travis County, Texas, to recover judgment against the State of Texas for all amounts of money to which he may be entitled as a result of the alleged variance of conditions heretofore specified. Nothing herein contained shall be construed as an admission of liability against the State, and the facts upon which the plaintiff may seek to recover must be proved as in any other case.

Service of citation for the purposes herein granted may be served upon the State of Texas by serving the Attorney General, the Chairman of the Texas State Highway Commission, and the Comptroller of Public Accounts.

The resolution was read and was referred to the Committee on Jurisprudence.

House Bill 110 on Second Reading

Senator Weinert moved that the regular order and Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. B. No. 110 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lock
Ashley	Moffett
Bradshaw	Moore
Colson	Owen
Fly	Parkhouse
Fuller	Phillips
Gonzalez	Ratliff
Hardeman	Reagan
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent

Bracewell	Roberts
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Absent—Excused

Martin

The Presiding Officer laid before the Senate on its second reading and passage to third reading:

H. B. No. 110, A bill to be entitled "An Act amending Senate Bill No. 97, Chapter 55, Acts of the Fifty-fourth Legislature, Regular Session, 1955, so as to clarify and make more certain the laws pertaining to contents, issuance, service, and return of writs, notices, and citations in probate proceedings; to define more clearly the laws applicable to independent executors; to clarify the rights of the competent spouse of an incompetent spouse with respect to community property; to amend and revise laws pertaining to the amount of bonds to be given by personal representatives who are required to give bonds, determining penalties, reducing or raising penalties of such bonds; etc., and declaring an emergency."

The bill was read second time and was passed to third reading.

House Bill 110 on Third Reading

Senator Weinert moved that the

Constitutional Rule and Senate Rule 32 requiring bills to be read on three several days be suspended and that H. B. No. 110 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lock
Ashley	Moffett
Bradshaw	Moore
Colson	Owen
Fly	Parkhouse
Fuller	Phillips
Gonzalez	Ratliff
Hardeman	Reagan
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent

Bracewell	Roberts
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Absent—Excused

Martin

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—29

Aikin	Moffett
Ashley	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood
Lock	

Absent

Bracewell

Absent—Excused

Martin

House Bill 248 on Second Reading

Senator Fuller moved that the reg-

ular order Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. B. No. 248 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lock
Ashley	Moffett
Bradshaw	Moore
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent

Bracewell	Owen
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Absent—Excused

Martin

The Presiding Officer laid before the before the Senate on its second reading and passage to third reading:

H. B. No. 248, A bill to be entitled "An Act amending subsections (a), (b), and (h), of Section 2, and Section 9, and Section 21 of Chapter 147, Acts 1949, 51st Legislature, Regular Session, creating the port of Beaumont Navigation District of Jefferson County, Texas, so as to clarify and make more certain the rights, powers, privileges, functions and authority of said district to acquire, construct, operate, and maintain facilities or aids consistent to or necessary to the operation or development of ports or waterways within the district, and to make more certain that any obligation incurred payable from taxation shall be submitted to a vote of the qualified electorate; and to provide for the election of five port commissioners whose terms shall be staggered etc., and declaring an emergency."

The bill was read second time and was passed to third reading.

House Bill 248 on Third Reading

Senator Fuller moved that the

Constitutional Rule and Senate Rule 32 requiring bills to be read on three several days be suspended and that H. B. No. 248 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lock
Ashley	Moffett
Bradshaw	Moore
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent

Bracewell	Owen
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Absent—Excused

Martin

The Presiding Officer then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

(President in Chair.)

House Concurrent Resolution 33 on Second Reading

Senator Parkhouse moved that the

regular order and Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. C. R. No. 33 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—27

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Smith
Hudson	Weinert
Krueger	Willis
Lane	

Absent

Kazen	Wood
Secrest	

Absent—Excused

Martin

The President laid before the Senate on its second reading the following resolution:

H. C. R. No. 33, Memorializing Congress as to States Rights.

The resolution was read and was adopted.

Committee Substitute House Joint Resolution 3 on Second Reading

The President laid before the Senate on its second reading and passage to third reading the following resolution: (Submitted as emergency by the Governor.)

C. S. H. J. R. No. 3, "Proposing an amendment to the Constitution of Texas adding a section to be known as Section 49c of Article III, authorizing the issuance and sale of bonds by the State to create the Texas Water Development Fund to provide financial assistance to certain political subdivisions or bodies politic and corporate of the State of Texas in the conservation and development of the water resources of the State; providing for the calling of an election and the publication and issuance for the proclamation therefor."

The resolution was read the second time.

Senator Parkhouse offered the following committee amendment to the resolution:

Amend C. S. H. J. R. No. 3 by striking out Section 1 and inserting in lieu thereof the following:

"Section 1. That Article III of the Constitution of Texas be amended by adding a new section thereto to be known as Section 49-c, as follows:

"Section 49-c. There is hereby created, as an agency of the State of Texas, The Texas Water Development Board to be composed of three members who shall be appointed by the Governor with the advice and consent of the Senate in the manner, for such terms, as may be prescribed by law.

"The Texas Water Development Board shall have the authority to provide for, issue and sell general obligation bonds of the State of Texas in an amount not to exceed \$100,000,000. The Legislature of Texas, upon two-thirds (2/3) vote of the elected members of each House, may authorize the Board to issue additional bonds in an amount not exceeding \$100,000,000. The bonds authorized herein or permitted to be authorized by the Legislature shall be called 'Texas Water Development Bonds,' shall be executed by the Board in such form, denominations and upon such terms as may be prescribed by law, provided, however, that the bonds shall not bear more than four per cent (4%) interest per annum; they may be issued in such installments as the Board finds feasible and practical in accomplishing the purpose of this amendment.

"All moneys received from the sale of State bonds shall be deposited in a fund hereby created in the State Treasury to be known as the Texas Water Development Fund to be administered (without further appropriation) by the Texas Water Development Board in such manner as prescribed by law.

"Such fund shall be used only for the purpose of aiding or making funds available upon such terms and conditions as the Legislature may prescribe, to the various political subdivisions or bodies politic and corporate of the State of Texas including river authorities, conservation and reclamation districts and districts created or organized or author-

ized to be created or organized under Article XVI, Section 59, or Article III, Section 52, of this Constitution, interstate compact commissions to which the State of Texas is a party and municipal corporations, in the conservation and development of the water resources of this State, including the control, storing and preservation of its storm and flood waters and the waters of its rivers and streams, for all useful and lawful purposes in accordance with the priorities of use in effect at the time of adoption of this amendment by the acquisition, improvement or construction of dams, reservoirs and other water storage projects, including any system necessary for the transportation of water from storage to points of distribution, or from storage to filtration and treatment plants, including facilities for transporting water therefrom to wholesale purchasers, or for any one or more of such purposes or methods.

"Any or all financial assistance as provided herein shall be repaid with interest upon such terms, conditions and manner of repayment as may be provided by law. Provided, however, financial assistance shall never exceed one-third ($1/3$) of the total cost of a project or five million dollars (\$5,000,000.00) whichever is the lesser.

"While any of the bonds authorized by this Constitution or while any of the bonds that may be authorized by the Legislature under this Constitution, or any interest on any such bonds, is outstanding and unpaid, there is hereby appropriated out of the first moneys coming into the Treasury in each fiscal year, not otherwise appropriated by this Constitution, an amount which is sufficient to pay the principal and interest on such bonds that mature or become due during such fiscal year, less the amount in the sinking fund on August 31st of the prior fiscal year.

"The Legislature may provide for the investment of moneys available in the Texas Water Development Fund, and the interest and sinking funds established for the payment of bonds issued by the Texas Water Development Board. Income from such investment may be used for paying the administrative expenses of the Board as prescribed by the Legislature or for the purposes for which the Fund was created, or both. The Legislature may also make appropriations from the General Revenue

Fund for paying administrative expenses of the Board.

"All moneys received by the Texas Water Development Board as repayment of principal for financial assistance or as interest thereon shall be deposited in the interest and sinking fund for the State bonds authorized by this Section; provided that if, in any year prior to December 31, 1982, moneys so received when taken together with any amount already on deposit in such interest and sinking fund shall exceed the total of principal and interest to mature on the State bonds within the ensuing fiscal year, then such excess shall be deposited to the Texas Water Development Fund, and may be used for administrative expenses of the Board and for the same purposes and upon the same terms and conditions prescribed for the proceeds derived from the sale of such State bonds. No grant of financial assistance shall be made under the provisions of this section after December 31, 1982, and all moneys thereafter received as repayment of principal for financial assistance or as interest thereon shall be deposited in the interest and sinking fund for the State bonds; except that such amount as may be required to meet the administrative expenses of the Board may be annually set aside; and provided, that after all State bonds have been fully paid with interest, or after there is on deposit in the interest and sinking fund sufficient moneys to pay all future maturities of principal and interest, additional moneys so received shall be deposited to the General Revenue Fund.

"All bonds issued hereunder shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivered to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

"Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such acts shall not be void by reason of their anticipatory nature."

The committee amendment was read.

Senator Moffett offered the following amendment to the Committee amendment:

Amend Committee Amendment No. 1 to Committee Substitute for H. J. R. No. 3, page 3, by striking out lines 18 to 22 and inserting in lieu thereof the following:

"Section 49-c. There is hereby created as an agency of the State of Texas the Texas Water Development Board. The qualifications, compensation, and number of members of said Board shall be determined by law. They shall be appointed by the Governor with the advice and consent of the Senate in the manner and for such terms as may be prescribed by law."

The amendment was adopted.

The Committee Amendment as amended was then adopted.

On motion of Senator Parkhouse and by unanimous consent the caption was amended to conform to the body of the resolution as amended.

The resolution as amended was passed to third reading.

Committee Substitute House Joint Resolution 3 on Third Reading

Senator Parkhouse moved that Senate Rules 32 and 45 and the Constitutional Rule requiring resolutions to be read on three several days be suspended and that C. S. H. J. R. No. 3 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Moffett
Ashley	Moore
Bracewell	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Herring	Rogers
Hudson	Secrest
Kazen	Smith
Krueger	Weinert
Lane	Willis
Lock	Wood

Nays—1

Bradshaw

Absent

Hazlewood

Absent—Excused

Martin

The President then laid the resolution before the Senate on its third reading and final passage.

The resolution was read third time and passed by the following vote:

Yeas—28

Aikin	Moffett
Ashley	Moore
Bracewell	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lock	Wood

Nays—2

Bradshaw Lane

Absent—Excused

Martin

Message from the House

Hall of the House of Representatives,
Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

S. B. No. 48, A bill to be entitled "An Act for the relief of purchasers and providing for the issuance of a patent to Lot 8, Block 169 of the City of Austin, Texas, and declaring an emergency."

S. B. No. 44, A bill to be entitled "An Act defining offenses in connection with the furnishing of alcoholic beverages, narcotic drugs, barbiturates, and other drug stimulants to inmates of the Texas Prison System and the taking of these articles into the confines of Texas Prison System property, and prescribing a penalty for violation; providing for severability; and declaring an emergency."

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives.

Senate Resolution 194

Senator Krueger offered the following resolution:

Whereas, We are honored today to have as visitors in the Senate Mrs. Bruce Reagan, Mrs. John Stafford, and Hon. Cecil E. Burney, former President, State Bar of Texas of Corpus Christi; and

Whereas, We desire to welcome these distinguished visitors to the Capitol Building and Capital City; now, therefore, be it

Resolved, That their presence be recognized by the Senate of Texas and that they be extended the official welcome of the Senate.

KRUEGER
REAGAN

The resolution was read and was adopted.

Senator Krueger by unanimous consent presented the distinguished guests to the Members of the Senate.

House Bill 366 on Second Reading

Senator Bracewell moved that the regular order and Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. B. No. 366 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

The President laid before the Senate on its second reading and passage to third reading:

H. B. No. 366, A bill to be entitled "An Act to amend the Harris County

Road Law, Act 1913, Thirty-third Legislature, Special Laws, Page 64, Chapter 17, as amended by adding Section 16-A, to provide for the supervision and maintenance of all roads, bridges, drains, ditches, culverts, formerly located in the County and now located in any city, town or village in Harris County by reason of annexation, but only until such time as the validity of the annexation has been finally disposed of; and declaring an emergency."

The bill was read second time and was passed to third reading.

House Bill 366 on Third Reading

Senator Bracewell moved that the Constitutional Rule and Senate Rule 32 requiring bills to be read on three several days be suspended and that H. B. No. 366 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—30

Aikin	Hardeman
Ashley	Hazlewood
Bracewell	Herring
Bradshaw	Hudson
Colson	Kazen
Fly	Krueger
Fuller	Lane
Gonzalez	Lock

Moffett	Roberts
Moore	Rogers
Owen	Secrest
Parkhouse	Smith
Phillips	Weinert
Ratliff	Willis
Reagan	Wood

Absent—Excused

Martin

House Bill 181 on Second Reading

Senator Reagan moved that the regular order and Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. B. No. 181 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

The President laid before the Senate on its second reading and passage to third reading:

H. B. No. 181, A bill to be entitled "An Act authorizing the possession of certain devices for catching fish or shrimp under specified circumstances in Willacy County Navigation District; repealing all laws or parts of laws in conflict; and declaring an emergency."

The bill was read second time and was passed to third reading.

House Bill 181 on Third Reading

Senator Reagan moved that the Constitutional Rule and Senate Rule 32 requiring bills to be read on three several days be suspended and that

H. B. No. 181 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

House Bill 90 on Second Reading

Senator Hudson moved that the regular order and Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. B. No. 90 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lock
Ashley	Moffett
Bradshaw	Moore
Colson	Owen
Fly	Parkhouse
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Nays—2

Bracewell	Phillips
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Absent—Excused

Martin

The President laid before the Senate on its second reading and passage to third reading:

H. B. No. 90, A bill to be entitled "An Act relating to fishing in Laguna Madre in Cameron County; amending Section 4a of Chapter 119, Acts of the 53rd Legislature, Regular Session, 1953; repealing Chapter 155, Acts of the 52nd Legislature, 1951; and declaring an emergency."

The bill was read second time and was passed to third reading.

House Bill 90 on Third Reading

Senator Hudson moved that the Constitutional Rule and Senate Rule 32 requiring bills to be read on three several days be suspended and that H. B. No. 90 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lock
Ashley	Moffett
Bradshaw	Moore
Colson	Owen
Fly	Parkhouse
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Nays—2

Bracewell	Phillips
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Absent—Excused

Martin

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Record of Vote

Senator Fuller asked to be recorded as voting "Nay" on the final passage of H. B. No. 90.

House Bill 161 on Second Reading

Senator Parkhouse moved to suspend the regular order of business and Senate Rule 116 and Section 5 of Article III of the State Constitution and take up H. B. No. 161 for consideration at this time.

The motion prevailed by the following vote:

Yeas—22

Aikin	Moffett
Ashley	Parkhouse
Colson	Phillips
Fuller	Ratliff
Hardeman	Reagan
Hazlewood	Rogers
Hudson	Secrest
Kazen	Smith
Krueger	Weinert
Lane	Willis
Lock	Wood

Nays—4

Bradshaw	Moore
Fly	Roberts

Absent

Bracewell	Herring
Gonzalez	Owen

Absent—Excused

Martin

The President laid before the Senate on its second reading and passage to third reading the following bill:

H. B. No. 161, A bill to be entitled "An Enabling Act to carry into effect the provisions of the proposed amendment adding Section 49c to Article III of the State Constitution;

defining certain terms; creating the Texas Water Development Board, and prescribing its composition, powers and duties; authorizing the issuance of the Board of One Hundred Million Dollars (\$100,000,000) in state bonds to create the Texas Water Development Fund; etc.; and declaring an emergency."

The bill was read the second time.

Senator Hardeman offered the following Committee Amendment to the bill:

Amend H. B. 161 by striking out all below the enacting clause, and substituting in lieu thereof the following:

"Section 1. That this Act shall become effective and operate only upon condition that Joint Resolution No. adopted by the 55th Legislature, 1957, and proposed as an Amendment adding Section 49c to Article III of the Constitution, shall be adopted; and in that event, the effective date of this Act shall be the date on which the Governor declares such Constitutional Amendment adopted; otherwise, this Act shall be of no force or effect.

"Sec. 2. For the purpose of this Act the term:

(a) 'Board' means the Texas Water Development Board.

(b) 'Chairman' means the Chairman of the Texas Water Development Board.

(c) 'Secretary' means the Executive Secretary of the Texas Water Development Board.

(d) 'Water Board' means the Board of Water Engineers or its successor.

(e) 'Political Subdivision' means any political subdivision or body politic and corporate of the State of Texas, and includes any river authority, conservation and reclamation district, water control and improvement district, water improvement district, water control and preservation district, fresh water supply district, irrigation district, and any type of district heretofore or hereafter created or organized or authorized to be created or organized pursuant to the provisions of Article XVI, Section 59 of Article III, Section 52 of the Constitution of the State of Texas; 'political subdivision' also means any interstate compact commission to which the State of Texas is a party, municipal corporation or city whether operating un-

der the Home Rule Amendment of the Constitution or under the General Law.

(f) 'Project' means any engineering undertaking or work for the purpose of the conservation and development of the water resources of the State of Texas, including the control, storing and preservation of its storm and flood waters and the waters of its rivers and streams for all useful and lawful purposes in accordance with the priorities of use in effect at the time of adoption of said Section 49c of Article III of the Constitution by the acquisition, improvement or construction of dams, reservoirs and other water storage projects, including any system necessary for the transportation of water from storage to points of distribution, or from storage to filtration and treatment plants, including facilities for transporting water therefrom to wholesale purchasers, or for any one or more of such purposes or methods.

(g) 'Weighted average effective interest rate' means that rate which shall be computed by dividing the amount of the net interest cost on all State bonds issued under the provision of this Act, (to be determined by the total value of all coupons thereto attached and deducting all premiums and adding all discounts involved) by the total of the number of years from its date to maturity of each such State bond theretofore issued.

(h) 'Bonds,' unless the context makes reference to the contrary, shall mean the Texas Water Development Bonds, authorized or permitted by the Constitutional Amendment submitted at the election held on

"Sec. 3. The Texas Water Development Board is hereby created and declared to be a state agency for performing the governmental function authorized in Section 49c of Article III of the Constitution of the State. The Board shall consist of three members who shall be appointed by the Governor with the advice and consent of the Senate. Each of the members of the Board shall hold office for a term of six (6) years and until his successor is appointed and qualified; provided, however, that at the first appointments made under this Act, one member shall be appointed for a period of two years from the effective date of this Act, one

member shall be appointed to serve for a period of four years from the effective date of this Act, and one member shall be appointed to serve for a period of six years from the effective date of this Act; thereafter, appointments shall be made for a full six-year term, with one member being appointed every two years. The Governor, by appointment and with the advice and consent of the Senate, shall fill any vacancy that may occur due to the death or resignation of a member. Each of the three members of the Board is hereby declared to be an officer of the State as defined by the Constitution, and each shall qualify by taking the official oath of office prescribed by law; and each shall be allowed and paid as a part of the cost of administering this Act a per diem allowance of Twenty Five Dollars (\$25.00) per day while attending and traveling to and from all meetings of the Board.

"The Governor shall designate the Chairman of the Board who shall serve as Chairman at the will of the Governor. At the first meeting of the Board, a Vice-Chairman shall be elected by the Board from its members who shall serve for a term of two years from the effective date of this Act; thereafter, a Vice-Chairman shall be elected every two years by the members of the Board. Vacancies in the office of Vice-Chairman shall be filled by the Board for the remainder of the unexpired term. The Chairman, or in his absence the Vice-Chairman, shall preside at all meetings of the Board and perform the other duties required by this Act. A majority of the members of the Board shall constitute a quorum to transact business.

"Sec. 4. The Board, by appropriate action, is hereby authorized from time to time to provide, by resolution, for the issuance of negotiable bonds in a total aggregate amount not exceeding One Hundred Million Dollars (\$100,000,000) and the Board may, upon two-thirds (2/3) vote of each House at a subsequent Legislature be given the power to issue additional negotiable bonds in an amount not to exceed One Hundred Million Dollars (\$100,000,000). All of such bonds shall be an a parity and shall be called the 'Texas Water Development Bonds.' The proceeds from the sale of any bond, or bonds, shall be used for the purpose of creating the Texas Water

Development Fund provided for in the Constitution. At the option of the Board, said bonds may be issued in one (1) or several installments. The Bonds of each issue shall be dated, and shall bear interest at a rate not exceeding four (4%) per cent per annum, which interest may, at the option of the Board, be payable annually or semi-annually; shall mature serially or otherwise not later than forty (40) years from their date; and may be redeemable before maturity, at the option of the Board, at such price or prices, and under such terms and conditions as may be fixed by the Board in the resolution providing for the issuance of the bonds. The Board shall determine the form of the bonds, including the forms of any interest coupon to be attached thereto, and shall fix the denomination or denominations of said bonds and the place or places of the payment of the principal and interest thereon. Said bonds shall be executed on behalf of the Texas Water Development Board as general obligations of the State of Texas in the following manner: They shall be signed by the Chairman and Secretary respectively of the Board, and the seal of the Board shall be impressed thereon, and they shall be signed by the Governor and attested by the Secretary of State of the State of Texas with the Seal of the State of Texas impressed thereon. The resolution authorizing the issuance of any installment or series of bonds may prescribe the extent to which facsimile signatures and facsimile seals in lieu of manual signatures and manually impressed seals may be used in executing such bonds and appurtenant coupons. Interest coupons may be signed by the facsimile signatures of the Chairman and Secretary of the Board. In the event any officer whose manual or facsimile signature appears on any bond, or whose facsimile signature shall appear on any coupon, shall cease to be such officer before the delivery of the bonds, the signature shall, nevertheless, be valid and sufficient for all purposes, the same as if he had remained in office until such delivery had been made. The resolution may provide for registration of the bonds as to ownership and for successive conversion and re-conversion from registered to bearer bonds and vice versa. Bonds thus issued in exchange in the exercise of re-registration privileges need not be

reapproved by the Attorney General or re-registered by the Comptroller. Before any such bonds so issued are delivered to the purchaser, the record pertaining thereto shall have been examined by the Attorney General of Texas and said record and bonds shall be approved by him. After such approval, the bonds shall be registered in the office of the Comptroller of Public Accounts of Texas. Such bonds having been approved by the Attorney General and registered in the Comptroller's Office shall be held, in every action, suit or proceeding in which their validity is or may be brought into question, valid and binding obligations of the State of Texas. In every action brought to enforce collection of such bonds or any rights incident thereto, the certificate of approval by the Attorney General and a certificate of registration by the Comptroller, or duly certified copies thereof, shall be admitted and received in evidence as proof of their validity. All bonds issued in accordance with and under the provisions of this Act shall have, and are hereby declared to have, all of the qualities and incidents of negotiable instruments under the laws of this State. The Board is fully authorized to provide for the replacement of any bond which might have become mutilated, lost or destroyed, without the necessity of additional approval by the Attorney General or re-registration by the Comptroller.

"Sec. 5. The Board is hereby authorized to provide by resolution for the issue of refunding bonds for the purposes of refunding any bonds issued under the provisions of this Act and then outstanding, together with accrued interest thereon. The issuance of such refunding bonds, the maturities and all other details thereof, the rights of the holders thereof, and the duties of the Board in respect to the same, shall be governed by the foregoing provisions of this Act insofar as the same may be applicable. The refunding bonds may be sold and the proceeds used to retire the outstanding bonds or may be used in exchange for the outstanding bonds.

"Sec. 6. All State bonds hereafter issued pursuant to the provisions of this Act shall be and are hereby declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan

associations, insurance companies, fiduciaries, trustees, guardians, and for the sinking funds of cities, towns, villages, counties, school districts, and all other political subdivisions and public agencies of the State of Texas. Such State bonds, when accompanied by all unmatured coupons appurtenant thereto shall be lawful and sufficient security for all deposits of state funds, and of all funds of any agency or political subdivision of the state, of counties, school districts, cities and other municipal corporations or subdivisions at the par value of said bonds. Such State bonds and the income therefrom, including the profits made on the sale thereof, shall at all times be free from taxation within this State.

"Sec. 7. When the Board shall have authorized the issuance of a series of said bonds and shall have determined to call for bids therefor, it shall be the duty of the Board to publish at least one time not less than twenty (20) days before the date of said sale an appropriate notice thereof. Such publication shall be made in a daily newspaper of general state-wide circulation which is published not less than seven (7) times weekly. Said notice shall also be published for such number of times as the Board may determine in one or more recognized financial publications of general circulation published within the State and one or more such publications published outside the State. The Board shall demand of bidders, other than the administrators of the state funds, that their bids be accompanied by exchange or bank cashier's check for such sum as it may consider adequate to be a forfeit guaranteeing the acceptance and payment for all bonds covered by such bids, and accepted by the Board.

"Sec. 8. None of said bonds shall be sold for less than their face value with accrued interest from their date, and all of such bonds shall be sold after competitive bidding to the highest and best bidder. The Board shall have the right to reject any and all bids.

"Sec. 9. All moneys coming into the hands of the Texas Water Development Board shall be deposited in the State Treasury. For the purposes of administering such moneys, there are hereby created the following special funds:

"(a) The 'Texas Water Development Clearance Fund,' hereinafter called 'Clearance Fund,' into which shall be deposited all moneys received by the Board except proceeds from the sale of Texas Water Development Bonds, and from which fund transfers shall be made as hereinafter set out.

"(b) The 'Texas Water Development Fund,' hereinafter called the 'Development Fund,' shall be a revolving fund into which there shall be deposited the proceeds derived from the sale of the Texas Water Development Bonds, and such other moneys as provided in this Act, and which fund shall be used upon the terms and conditions set out in this Act for the purpose of aiding and making funds available to the various political subdivisions for projects and purposes authorized under this Act, and upon the terms and conditions hereinafter set out.

"(c) The 'Texas Water Development Bonds Interest and Sinking Fund,' hereinafter called 'Interest and Sinking Fund,' shall be a special fund into which there shall be accumulated and set aside at or before the beginning of each fiscal year, from the sources hereinafter specified, an amount sufficient to pay all interest becoming due during such fiscal year on all the Water Development Bonds outstanding, and to pay all such bonds which mature during such fiscal year.

"(d) The 'Texas Water Development Board Administrative Fund,' hereinafter called 'Administrative Fund,' shall be the special fund into which there shall be transferred, from sources specified in this Act, sufficient moneys with which to pay the administrative expenses of the Board as authorized by appropriations of the Legislature to the Texas Water Development Board for administrative purposes.

"Sec. 10-A. All proceeds received from the sale of the Water Development Bonds shall be deposited to the account of the Development Fund.

"Sec. 10-B. With the exception of proceeds from the sale of Texas Water Development Bonds and proceeds from the sale of bonds of political subdivisions sold in accordance with the provisions of Section 15 hereof, all moneys received by the Board in any fiscal year, including all

amounts received as repayment of financial assistance granted under this Act and interest on such loans, shall be paid into and accumulated in the Clearance Fund. Not later than fifteen days following the end of each fiscal year, the funds standing to the credit of the Clearance Fund shall be transferred to the other special funds created by this Act in the following manner:

"(a) There shall be determined the amount of interest becoming due on all Water Development Bonds then outstanding, together with the amount of principal of such bonds maturing and becoming payable during such ensuing fiscal year. There shall be transferred to the Interest and Sinking Fund, after taking into account any moneys already on deposit therein, such amount as may be necessary to pay all such principal and interest maturing on such bonds during the ensuing fiscal year, together with all collection charges and exchanges thereon. In the event the amount transferrable from the Clearance Fund at the end of any fiscal year is insufficient to pay the interest becoming due and the principal maturing on the Water Development Bonds during the ensuing fiscal year, then after the transfer to the Interest and Sinking Fund of so much as is available in the Clearance Fund, the State Treasurer shall transfer out of the first moneys coming into the Treasury of the State of Texas, not otherwise appropriated by the Constitution, such amount as shall be required to pay principal and interest on such Water Development Bonds during such fiscal year.

"(b) If, after making the transfers provided in paragraph (a) in this section, there remain other moneys in the Clearance Fund, then to the extent possible there shall be transferred from such fund to the Administrative Fund an amount sufficient to cover the appropriation for administrative appropriations of said Board, as authorized by the Legislature, for the ensuing fiscal year.

"(c) If, after making the transfers provided for in paragraph (a) and (b) in this section, there remain other moneys in the Clearance Fund, the balance of such fund shall be transferred at the end of each fiscal year occurring before December 31, 1982, to the Development Fund, and such moneys so transferred may be

used for all of the purposes for which the proceeds of the Water Development Bonds were authorized to be used.

"(d) Any funds remaining in the Development Fund on December 31, 1982, shall be transferred to the Interest and Sinking Fund.

"(e) After December 31, 1982, after making the transfers provided for in paragraphs (a) and (b) of this section, any balance remaining in the Clearance Fund shall be transferred annually at the end of each fiscal year to the Interest and Sinking Fund until such time as there is on deposit in such Interest and Sinking Fund sufficient moneys to pay all bonds then remaining outstanding with interest to maturities; and when such amount shall be accumulated in the Interest and Sinking Fund all amounts collected into the Clearance Fund in excess of the amounts needed to cover authorized administrative expenses shall annually be transferred and deposited into the General Revenue Fund of the State of Texas.

"Sec. 10-C. The Comptroller of Public Accounts is hereby authorized and directed to make the transfers required under any provision of this Act.

"Section 10-D. All moneys standing to the credit of the Interest and Sinking Fund which may not be needed to pay obligations maturing during the current fiscal year may be invested by the Board in bonds of the United States, or the State of Texas, (or of the several counties or municipalities or other political subdivisions of the State of Texas, except bonds issued by any such political subdivision to finance the projects as herein defined); and such Board may sell such bonds, or any of them, at the governing market rate; provided, however, to the extent that the resolution or resolutions authorizing the issuance of bonds hereunder further restrict the investment of such moneys in bonds of the United States, such restrictions shall be binding on the Board.

"Section 11. Until December 31, 1982, the Texas Water Development Fund shall be used by the Board as set forth in Section 16 hereof for the purpose of providing financial assistance and aid to the various political subdivisions as defined in Section 2 hereof, in the conservation and de-

velopment of the water resources of the State of Texas by the construction, acquisition or improvement of projects, as defined in Section 2 hereof.

"Section 12. Any political subdivision desiring financial assistance from the Fund to construct, improve or acquire a project shall first make application to the Board of Water Engineers for approval by such Water Board of the eligibility of the project. In determining eligibility Water Board consideration shall be given, but not limited, to the following:

(a) The availability, quantity and quality of water;

(b) The privilege and right of the political subdivision to impound, divert, develop or use such water;

(c) The use and demand for the use of such water;

(d) The availability of revenues from all sources for the repayment of the cost of such project, including interest;

(e) The public interest to be served;

(f) The preliminary engineering feasibility of the project, including cost of construction, operation and maintenance;

(g) Development and use of the State's water resources to the optimum potential; and

(h) That the project cannot be financed without State assistance.

No project can be considered as eligible until the Water Board determines that from income available or, in the opinion of the Water Board, to become available to the political subdivision from revenues of the project, from taxes levied and collected by the political subdivision or from sources other than any state assistance from the Fund, a sum can be obtained annually at least equal to the cost of maintenance and operation of the project, and for payment of the principal and interest of all bonds payable in whole or in part from the revenue of the project.

The Board of Water Engineers is hereby empowered to adopt and enforce reasonable rules, regulations and modes of procedure not inconsistent herewith, and to employ such consulting experts and assistants as it deems necessary to aid in determining, the eligibility and feasibility of any project.

"Section 13. The Board of Water Engineers, after fully investigating the project for which approval by a political subdivision is sought, shall by resolution make a finding that a project is either eligible or ineligible, giving its reasons for such finding. A certified copy of such resolution shall be furnished to the Texas Water Development Board. If the project is found to be ineligible no financial assistance from the Texas Water Development Fund shall be made available for such project and the project shall be considered as rejected by the Water Board; provided, however, that the political subdivision whose project has been found to be ineligible shall be given a reasonable length of time, to be determined by the Water Board, in which to alter or amend the engineering plans of the project, the plan of financing or other features so as to remove the objections to the project that caused it to be determined as ineligible.

"Section 14. When the project of a political subdivision has been determined by the Water Board to be eligible, the political subdivision may make application to the Texas Water Development Board for financial assistance from the Texas Water Development Fund. Such application shall contain the name of the political subdivision, its principal officers, the authority of law under which the political subdivision was created and operates, the total cost of the project, the amount of state financial assistance requested, the plan for repayment of the total cost of the project, and such other information as the Board may require to aid in the performance of its duties and for the protection of the public interest.

"Section 15. After the Board has examined an application of a political subdivision for financial assistance from the Fund and determined by resolution that same should be approved, the Board may give financial assistance to the political subdivision by the purchase with moneys out of the Texas Water Development Fund of bonds or other securities issued by the political subdivision for the purpose of providing funds to finance a project which has been determined to be eligible by the Board of Water Engineers. The Board is hereby empowered to purchase such political subdivision bonds or other securities even though such bonds or other securities be secondary, or subordinate

to other bonds or other securities issued by the political subdivision to finance the same project for which assistance from the fund is sought. The Board shall never purchase bonds or other securities which have a maturity date in excess of forty (40) years from date of issuance. The Board shall never purchase bonds or other securities of a political subdivision in excess of one-third ($1/3$) of the total cost of a project for which assistance from the Fund is sought nor in excess of Five Million Dollars (\$5,000,000), whichever is the lesser for any one project. The Board shall never purchase from any single political subdivision bonds or other securities of such political subdivision in excess of Five Million Dollars (\$5,000,000). Such bonds and other securities purchased from moneys in the Fund by the Board shall bear whichever of the following rates of interest is greater: (1) the weighted average effective interest rate on all State bonds theretofore sold under the provisions of this Act plus one-half ($1/2$) of one (1%) per cent; or (2) the effective interest rate of the bonds sold by the issuing agency for the purpose of providing the remaining funds which are required for the project. The bonds shall bear coupons as near such effective rate as the Board shall deem practicable, and the effective rate shall be arrived at by premium or discount to the weighted average specified above. Before purchasing any bonds or other securities of a political subdivision, the Board shall be assured that such bonds or other securities have been approved by the Attorney General and registered by the Comptroller of Public Accounts and after such approval and registration and sale at not less than par and accrued interest, said bonds shall be valid, binding and incontestable. The Board is fully empowered and authorized to sell or dispose of political subdivision bonds purchased with moneys out of the Fund, provided that such bonds are sold at not less than par and accrued interest. The proceeds from such sale shall be deposited to the credit of the Fund and used in the same manner as other funds deposited therein. Should the Board determine to sell such political subdivision bonds, competitive bids therefor shall be received and notice of such sale shall be given and the sale conducted in the same manner as in the case of a sale of the

state bonds authorized by this Act; provided, however, that the Board shall first have offered said bonds at their par value plus accrued interest to the issuing municipality at least thirty days prior to the date of requesting competitive bids, and provided such municipality shall have failed within such thirty day period to give notice to said Board of its desire to acquire such bonds at par and accrued interest.

"Section 16. Unless wholly supported by political subdivision taxes, any bonds or other securities of a political subdivision which may be purchased by the Board in accordance with the terms of this Act shall be secured by a pledge of all or part of the net revenues which result from the ownership and operation of the project of the political subdivision; the term "net revenues" as used in this section shall mean the gross revenues of the project after deduction of the amount necessary to provide for principal, interest and reserve requirements of bonds superior to those purchased by the Board and the amount necessary to pay the cost of maintaining and operating the project of the political subdivision and the project properties. In the event of a default in the payment of principal or interest on bonds purchased by the Board, or should any other default as defined in the proceedings or indentures authorizing the issuance of the bonds of such political subdivision occur the Attorney General of Texas shall thereupon institute appropriate proceedings by mandamus and all other legal remedies to compel the subdivision and/or its officers, agents and employees to perform those duties which it is or they are obligated to perform under the law and under such proceedings or covenants, in order to cure such default. Venue in all actions by the Attorney General to enforce all rights, obligations and covenants in and under said bonds purchased by the Board, shall lie in the District Courts of Travis County, Texas. The provisions of this section shall be cumulative of all other remedies available by virtue of the resolution authorizing the issuance of or the terms of any trust agreement securing any such bonds or other securities.

"Section 17. The bonds of a political subdivision which the Board is authorized to purchase with moneys

out of the Fund may be financed with income derived from revenues that accrue from operation of the project, may be supported by taxes levied by the political subdivision for that purpose, or may be supported by a combination of taxes and revenue. The Board, in its discretion and for the protection of the Texas Water Development Fund, may require as a condition precedent to purchasing any bonds of a political subdivision issued to finance a project that the bonds be supported by both income derived from revenue as well as moneys collected from taxes, in such a ratio as to assure the Texas Water Development Board that the investment of moneys out of the Fund will be fully secured and protected. The Board shall make such other requirements and impose such other conditions for the purchase of bonds or other securities of a political subdivision as in the opinion of the Board may be commensurate with sound investment practices and in the public interest.

"Section 18. The governing body of every political subdivision receiving state financial assistance from the Texas Water Development Fund shall, in all contracts for the construction of a project, require that the contract shall be paid for in partial payments as the work progresses and such payments shall not exceed eighty-five per cent (85%) of the amount due at the time of such payment as shown by the engineer of the project. Such contract shall also require that upon completion of said contract, the remaining fifteen per cent (15%) due thereunder may be paid only upon obtaining from the Board of Water Engineers a certificate that the work to be done under the contract has been completed and performed in a satisfactory manner and in accordance with sound engineering principles and practices. The Water Board shall have the privilege of inspecting the construction of any project at any time to assure itself that the engineering plans of a project, as submitted when approval of the feasibility of the project was sought, are being substantially complied with and that the works are being constructed in accordance with sound engineering principles, but such inspection shall never subject the State of Texas to any action for damages. No substantial or material alteration in the engineering plans of a project shall be made after approval

of eligibility unless and until authorization to make such alteration has been given by the Board of Water Engineers. Failure to construct the project according to the plans as approved by or altered with approval of the Water Board, failure to construct the works in accordance with sound engineering principles, or failure to comply with any term or terms of a construction contract, may be considered by the Water Board as grounds for refusal to give a certificate of approval for any construction contract. A certified copy of every construction contract entered into and executed by the political subdivision for the construction of the project in whole or in part shall be filed in the office of the Water Board. All such contracts shall contain or have attached thereto the specifications for all work included in the contract and the plans and details thereof and all such work shall be done in accordance with plans and specifications.

"Section 19. The Texas Water Development Board is hereby authorized and empowered to make and promulgate such reasonable rules and regulations under this Act as it shall deem to be necessary or advisable, and to enforce the same.

"Section 20. The Board is hereby authorized to purchase through the State Board of Control any and all supplies including, but not by way of limitation, stationery, stamps, printing, record books, and such other things as may be needed, at state expense, in order to carry on its functions as a state agency in the performance of the duties herein imposed upon it.

"Section 21. The Board shall meet once each month on a day and at a place selected by it, and continue with each meeting until its docket is cleared, subject to recesses at the discretion of the Board. The Chairman of the Board may call a special meeting of same at any time he thinks necessary, by giving the other members notice thereof. The Board shall select an executive secretary who shall perform all duties required by this Act and by said Board. The Executive Secretary shall execute a bond in a sum to be determined by the Board, approved by the Board, and payable to it. Said bond shall be conditioned upon the faithful performance by the Secretary of his duties under the law, and for the delivery to

his successor or other employee designated by the Board to receive the same, all moneys, books and other property belonging to the State then in his hands or under his control, or with which he may be legally chargeable as Secretary of the Board. The premium on such bond shall be paid out of money available to the Board for administrative expenses. The Executive Secretary shall keep full and accurate minutes of all meetings of the Board and complete records of all its proceedings and transactions and of every resolution and decision made by it. The Secretary shall be custodian of all files and records of the Board. The Board shall procure and adopt a seal bearing the words "Texas Water Development Board" encircled by the oak and olive branches, common to other official seals. The Board is authorized to rent office space and to employ such consulting and professional experts, and such employees as may be necessary for the discharge of the duties of the Board. The employees of the Board shall be deemed to be state employees, and all civil and criminal laws regulating the conduct and relations of other state employees shall apply in all things to the employees of the Board. All papers, records, and archives of the Board shall be placed in a depository selected by the Board and shall be open to public inspection at all reasonable times.

"Section 22. To pay the expense of administering this Act during the remainder of the current biennium the sum of Thousand Dollars (\$.....) is hereby appropriated for the use of the Board. All employees of the Board shall be paid compensation until the effective date of the next general Departmental Appropriation Act at a rate comparable with the rate being paid by the State to other state employees doing the same or similar type of work. All such employees shall be paid their compensation and perform their duties with the same rules, requirements, and regulations of the general law governing the state employees in such respects. After the effective date of this Act, employees of the Board shall receive such wages and salaries as may be authorized by the Legislature in Departmental Appropriation Acts.

"Section 23. If any section, provision, or part whatsoever of this Act

should be held to be void as in violation of the Constitution, it shall not affect the validity of the remaining portions thereof, and it is hereby declared to be the Legislative intent that this Act would have been passed as to the remaining portions hereof, regardless of the invalidity of any part.

"Section 24. The pressing public demand for state assistance to finance water conservation projects, the necessity of preserving, utilizing and conserving the state's most valuable natural resource in the greatest practicable manner, and the importance of this legislation to the people of the State of Texas create an emergency and an imperative public necessity that the Constitutional Rule requiring bills to be read on three several days in each House be suspended, and the Rule is hereby suspended, and this Act shall be in effect from and after its passage, and it is so enacted.

On motion of Senator Parkhouse and by unanimous consent the reading of the amendment was dispensed with and was explained.

Question—Shall the Committee Amendment to H. B. No. 161 be adopted?

Senate Resolution 195

Senator Moore offered the following resolution:

Whereas, We are honored today to have in the gallery of the Senate the 11th Grade Class of the Kemp High School, accompanied by their teacher, Mr. C. T. Scurry; and

Whereas, These students are on an educational tour of the Capitol Building and the Capital City; and

Whereas, This fine group of young American citizens is here to observe and to learn firsthand the workings of their State government; now, therefore, be it

Resolved, That we officially recognize and welcome these guests and commend them for their interest; and that a copy of this Resolution, properly endorsed, bearing the official seal of the Senate, be mailed to them in recognition of their visit.

The resolution was read and was adopted.

Senator Moore by unanimous consent presented the students and Mr. Scurry to the Members of the Senate.

Senate Resolution 196

Senator Moffett offered the following resolution:

Whereas, We are honored today to have as a visitor in the Senate Judge Jesse Owens, District Judge of the 46th Judicial District and a prominent citizen of Vernon, Texas; and

Whereas, We desire to welcome this distinguished visitor to the Capitol Building and Capital City; now, therefore, be it

Resolved, That his presence be recognized by the Senate of Texas and that he be extended the official welcome of the Senate.

The resolution was read and was adopted.

House Bill 172 on Second Reading

Senator Hudson moved that the regular order and Senate Rule 116 and Section 5 of Article III of the State Constitution be suspended and that H. B. No. 172 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—30

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Owen
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Secrest
Hudson	Smith
Kazen	Weinert
Krueger	Willis
Lane	Wood

Absent—Excused

Martin

The president laid before the Senate on its second reading and passage to third reading:

H. B. No. 172, A bill to be entitled "An Act repealing Acts 1945, Forty-ninth Legislature, P. 274, Ch. 203 (Article 118c-2 of Vernon's Civil Statutes) and declaring an emergency."

The bill was read second time and was passed to third reading.

House Bill 172 on Third Reading

Senator Hudson moved that the Constitutional Rule and Senate Rule 32 requiring bills to be read on three several days be suspended and that H. B. No. 172 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Lane
Ashley	Lock
Bracewell	Moffett
Bradshaw	Moore
Colson	Parkhouse
Fly	Phillips
Fuller	Ratliff
Gonzalez	Reagan
Hardeman	Roberts
Hazlewood	Secrest
Herring	Smith
Hudson	Weinert
Kazen	Willis
Krueger	Wood

Nays—1

Rogers

Absent

Owen

Absent—Excused

Martin

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—29

Aikin	Lock
Ashley	Moffett
Bracewell	Moore
Bradshaw	Parkhouse
Colson	Phillips
Fly	Ratliff
Fuller	Reagan
Gonzalez	Roberts
Hardeman	Rogers
Hazlewood	Secrest
Herring	Smith
Hudson	Weinert
Kazen	Willis
Krueger	Wood
Lane	

Absent

Owen

Absent—Excused

Martin

Bills Signed

The President signed in the presence of the Senate after the captions had been read, the following enrolled bills:

S. B. No. 44, A bill to be entitled "An Act defining offenses in connection with the furnishing of alcoholic beverages, narcotic drugs, barbiturates, and other drug stimulants to inmates of the Texas Prison System and the taking of these articles into the confines of Texas Prison System property, and prescribing a penalty for violation; providing for severability; and declaring an emergency."

H. B. No. 248, A bill to be entitled "An Act amending subsections (a), (b), and (h), of Section 2, and Section 9, and Section 21 of Chapter 147, Acts 1949, 51st Legislature, Regular Session, creating the port of Beaumont Navigation District of Jefferson County, Texas, so as to clarify and make more certain the rights, powers, privileges, functions and authority of said district to acquire, construct, operate, and maintain facilities or aids consistent to or necessary to the operation or development of ports or waterways within the district, and to make more certain that any obligation incurred payable from taxation shall be submitted to a vote of the qualified electorate; and to provide for the election of five port commissioners whose terms shall be staggered; etc.; and declaring an emergency."

Message from the Governor

The following Message received from the Governor was read and was referred to the Committee on Nominations:

March 6, 1957.

To the Senate of the Fifty-fifth Legislature:

I ask the advice, consent and confirmation of the Senate with respect to the following appointments:

To be Branch Pilot for the Galveston Bar and the Houston Ship Channel, for two-year term to expire February 13, 1959: M. E. Palmer of Houston, Harris County.

To be Branch Pilot for the Galveston Bar and the Houston Ship Channel, for two-year term to expire February 13, 1959: D. O. Duncan of Hous-

ton, Harris County.

Respectfully submitted,
PRICE DANIEL,
Governor of Texas.

House Bills and Resolutions on First Reading

The following bills and resolutions received from the House, were read the first time and referred to the Committees indicated:

H. J. R. No. 10, To Committee on Constitutional Amendments.

H. B. No. 80, To Committee on Agriculture and Livestock.

H. B. No. 128, To Committee on State Affairs.

H. B. No. 79, To Committee on State Affairs.

H. C. R. No. 28, To Committee on Jurisprudence.

H. B. No. 150, To Committee on Water and Conservation.

H. B. No. 7, To Committee on State Affairs.

H. B. No. 147, To Committee on Water and Conservation.

H. B. No. 144, To Committee on Water and Conservation.

H. B. No. 33, To Committee on Jurisprudence.

H. C. R. No. 19, To Committee on Jurisprudence.

H. C. R. No. 32, To Committee on Jurisprudence.

H. B. No. 6, To Committee on State Affairs.

Reports of Standing Committees

Senator Bracewell by unanimous consent submitted the following reports:

Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Insurance, to whom was referred S. B. No. 97, have had the same under consideration, and we are instructed to report it back to the Senate with the

recommendation that it do pass as amended and be printed.

BRACEWELL, Chairman.

Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Insurance, to whom was referred S. B. No. 222, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do not pass but that the Committee Substitute in lieu thereof do pass and be printed.

BRACEWELL, Chairman.

C. S. S. B. No. 222 was read first time.

Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Insurance, to whom was referred S. B. No. 141, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do not pass but that the Committee Substitute in lieu thereof do pass and be printed.

BRACEWELL, Chairman.

C. S. S. B. No. 141 was read first time.

Austin, Texas,
March 6, 1957.

Hon. Ben Ramsey, President of the Senate.

Sir: We, your Committee on Insurance, to whom was referred S. B. No. 133, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do not pass but that the Committee Substitute in lieu thereof do pass and be printed.

BRACEWELL, Chairman.

C. S. S. B. No. 133 was read first time.

Adjournment

On motion of Senator Hardeman the Senate at 11:59 o'clock a.m. adjourned until 10:30 o'clock a.m. tomorrow.